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***Small Business Administration (SBA)***

Provides an additional \$630 million for loans and loan guarantees divided into two categories: \$375 million is set aside for reimbursements, loan subsidies and loan modifications related to certain loans, and \$255 million for loans of \$35,000 or less in a new small business stabilization program;

Provides an additional \$69 million for salaries and expenses, including \$24 million for microloan technical assistance, and \$20 million to improve lender oversight;

Provides an additional \$6 million for direct loans;

Provides an additional \$15 million for the SBA's surety bond program and increases the size of the maximum bond;

Eliminates (or reduces as much as possible) fees in the 7(a) and 504 business loan programs and for lender oversight;

Allows the SBA to guarantee certain loans that, in part, refinance existing business loans;

Authorizes the SBA to guarantee pools of first lien CDC/504 loans sold to third party investors;

Increases the funds ("leverage") available to SBA-licensed Small Business Investment Companies (SBICs);

Requires SBICs to invest at least 50% of their venture capital in low-income areas as defined by the New Market Venture Capital program; and

Requires SBICs to make 25% of their investments in "smaller" companies, which are defined as having a net financial worth of not more than \$6 million and an average net income for the past two years of not more than \$2 million.

<http://www.sba.gov/recovery/>

For questions about this, or any other aspect of the Recovery bill, please call our office at (800)964-4699

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